Ambulance Fraud and Abuse

Why look at ambulance services?

- Medicare and Medicaid pay for ambulance transport **only when transportation of any other kind would compromise the medical condition of the beneficiary**.

- Beneficiaries, hospital discharge planners, nursing home staff, etc. do not understand what ambulance services are covered by Medicare.

What ambulance services are covered by Medicare and Medicaid?

Medicare pays for ambulance services when you must be taken to a hospital or skilled nursing facility and transportation in any other vehicle would endanger your health. Medicare pays for the ambulance mileage to the nearest hospital or skilled nursing facility that provides the services you need. Medicare does not pay for ambulance transportation to a doctor's office.

Medicaid pays for ambulance services when a physician certifies medical necessity:

- From the place of an emergency to a hospital emergency room if the patient is admitted,
- From one hospital to another hospital,
- From a hospital to the person's home upon discharge from inpatient services,
- From a nursing home to a hospital for admission,
- From the person's home to a nursing home for admission,
- From a nursing home (after being discharged) to the person's home,
- From one nursing home to another nursing home when the original nursing home has been decertified and the transportation is necessary, and
- Out-of-state for Medicaid recipients who require medical services not available in Arkansas.

Medicaid does not pay for ambulance services to a hospital or other facility for outpatient care or to or from a doctor's office or clinic.

There are two categories of ambulance services:

1. Basic Life Support (BLS),[1] and
2. Advanced Life Support (ALS).[2]

ALS services are much more costly than BLS services.

Fraud schemes:

- Billing for Advanced Life Support (ALS) services when Basic Life Support (BLS) services were provided. Documentation is often falsified to indicate that the patient needed oxygen, a key indicator to establish medical necessity for ALS.

- Some ambulance companies operate like a shuttle service. They pick up multiple patients, sometimes transport them to multiple locations, and bill Medicare as if each beneficiary transport was an individual trip. **This is a BIG money making scheme!**

- Billing for more miles than traveled for transport. Air ambulance services have reported their mileage in ground miles instead of nautical miles ("as the crow flies" miles).

- Falsification of documentation to substantiate the need for transport from a hospital or inpatient facility back to the patient's home. Medicare will only cover this if the patient could not go by any other means (e.g., car or taxi).

- Ambulance transports are provided to ambulatory dialysis patients to and from the dialysis center and are billed as medically necessary

[1] **BLS** = Life support techniques used to maintain adequate ventilation and circulation without the use of any equipment until further medical assistance arrives. There are three basic elements, usually remembered as ABC, Airway, Breathing and Circulation.
[2] **ALS** = Life support techniques that involve the use of special equipment such as defibrillators, and administration of oxygen, drugs or fluids.

transports. Patients have been filmed walking to the vehicle, riding in the front seat of the ambulance, or being transported in an ordinary car.

For example, federal prosecutors accused three ambulance company managers of Patient Transfer Service, Inc. (PTS) of Jonesboro of conspiring to defraud the government for transporting dialysis patients to and from clinics for treatment and charging Medicare and Medicaid for the trips although the patients did not qualify for government transportation assistance. They gave rides to patients who did not need them so often that some employees compared their vehicles to taxicabs. PTS collected between $450 and $1,000 for each round-trip. The patients in question rarely rode on a stretcher, and sometimes asked to stop on the way home so they could run errands like picking up prescriptions or ordering pizza. Records were falsified to indicate the patients were confined to bed before and after treatment and rode on the stretcher during the trips.[3]

Things to look for:

- Ambulatory patients requiring regular medical services (such as renal dialysis) being transported by ambulance.

- Review Explanation of Medicare Benefits (EOMB) or Medicare Summary Notice (MSN) to ensure that the ambulance services billed match the services actually provided.

It is in your best interest and that of all citizens to report suspected fraud. Health care fraud, whether against Medicare, Medicaid or private insurers, increases everyone's health care costs, much the same as shoplifting increases the costs of the food we eat and the clothes we wear. If we are to maintain and sustain our current health care system, we must work together to reduce costs.

To Report Suspected Medicare or Medicaid Fraud

Call Toll-free 1-866-726-2916

Or Write to Address Below

[3] *Fraud trial begins for NEA managers of ambulance firm,* Jonesboro Sun (4/8/03).